

BC Assessment

BRITISH COLUMBIA ASSESSMENT AUTHORITY

STATEMENTS & SCHEDULES OF FINANCIAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2014

BRITISH COLUMBIA ASSESSMENT AUTHORITY
Statements and Schedules of Financial Information
For the year ended December 31, 2014

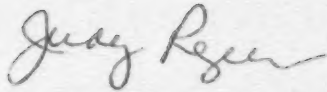
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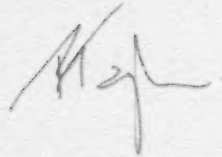
BRITISH COLUMBIA ASSESSMENT AUTHORITY

Statement of Financial Information Approval

We, the undersigned, represent the Board of Directors of British Columbia Assessment Authority and approve the information contained in the Statements and Schedules of Financial Information prepared in accordance with the Financial Information Act.



Judy Rogers
Chair of the Board of Directors



Richard Taylor
Vice Chair and Chair of the Audit and Risk
Management Committee

Victoria, British Columbia, Canada

June 12, 2015

BRITISH COLUMBIA ASSESSMENT AUTHORITY

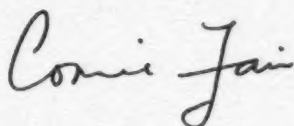
Management's Responsibility for the Financial Statements

The accompanying financial statements of British Columbia Assessment Authority (the "Authority") are the responsibility of the Authority's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for public sector organizations established by the Public Sector Accounting Board of the Chartered Professional Accountants. A summary of the significant accounting policies is described in note 2 of the accompanying notes to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

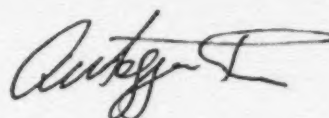
The Authority's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Audit and Risk Management Committee meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to the Board's approval of the financial statements.

The financial statements have been audited by Grant Thornton LLP, independent external auditors appointed by the Authority. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Authority's financial statements.



Connie Fair
President and Chief Executive Officer



Andy Hoggarth
Vice President and Executive Financial Officer

Victoria, British Columbia, Canada

Independent Auditors' Report

To the Board of Directors of British Columbia Assessment Authority, and
To the Minister of Community, Sport and Cultural Development, Province of British Columbia

We have audited the accompanying financial statements of British Columbia Assessment Authority, which comprise the statement of financial position as at December 31, 2014 and the statements of operations, changes in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of British Columbia Assessment Authority as at December 31, 2014 and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Victoria, Canada
April 10, 2015

Grant Thornton LLP

Chartered accountants

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Statement of Financial Position

As at December 31, 2014

(In thousands of dollars)

	2014	2013
Financial Assets:		
Cash and cash equivalents (note 3)	\$ 34,749	\$ 34,500
Accounts receivable	1,521	1,778
Accounts receivable from provincial government	331	314
	36,601	36,592
Liabilities:		
Accounts payable and accrued liabilities	3,765	4,791
Accounts payable due to provincial government	594	1,278
Employee benefits and other liabilities (note 4)	8,353	9,454
Lease inducements	4,048	4,188
Capital lease obligations (note 5)	472	652
	17,232	20,363
Net financial assets	19,369	16,229
Non-financial assets:		
Tangible capital assets (note 6)	13,526	13,225
Prepaid expenses	1,216	1,389
	14,742	14,614
Accumulated surplus (note 7)	\$ 34,111	\$ 30,843

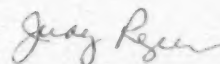
Commitments (note 8)

The accompanying notes are an integral part of these financial statements.

Approved On Behalf of the Board of Directors:



Director



Director

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Statement of Operations

Year ended December 31, 2014
(In thousands of dollars)

	Budget (note 10)	2014	2013
Revenues:			
Tax levies	\$ 83,482	\$ 83,777	\$ 82,085
Data access services	3,355	3,489	3,559
Payments in lieu of taxes	850	1,005	954
First Nations	600	630	613
Investment income	290	343	356
Other	10	315	321
Gain on disposal of tangible capital assets	-	19	35
	88,587	89,578	87,923
Expenses:			
Employee expenses	58,983	58,004	56,303
Information and communications technology	7,914	8,519	9,119
Office premises	6,427	6,155	6,463
Appeal costs (note 9)	3,890	2,852	3,046
Amortization	3,837	3,530	3,962
Corporate and office	3,728	3,223	3,364
Travel	2,151	2,113	1,698
Assessment notice printing and postage	1,657	1,914	1,678
Total expenses	88,587	86,310	85,633
Annual surplus	-	3,268	2,290
Accumulated surplus, beginning of year	30,843	30,843	28,553
Accumulated surplus, end of year	\$ 30,843	\$ 34,111	\$ 30,843

The accompanying notes are an integral part of these financial statements.

BRITISH COLUMBIA ASSESSMENT AUTHORITY**Statement of Change in Net Financial Assets**

Year ended December 31, 2014

(In thousands of dollars)

	Budget (note 10)	2014	2013
Annual surplus	\$ -	\$ 3,268	\$ 2,290
Acquisition of tangible capital assets	(6,336)	(3,831)	(2,372)
Amortization of tangible capital assets	3,837	3,530	3,962
Gain on sale of tangible capital assets	-	(19)	(35)
Proceeds on sale of tangible capital assets	-	19	35
	(2,499)	2,967	3,880
Change in prepaid expenses	-	173	(257)
Change in net financial assets	(2,499)	3,140	3,623
Net financial assets, beginning of year	16,229	16,229	12,606
Net financial assets, end of year	\$ 13,730	\$ 19,369	\$ 16,229

The accompanying notes are an integral part of these financial statements.

BRITISH COLUMBIA ASSESSMENT AUTHORITY**Statement of Cash Flows**

Year ended December 31, 2014

(In thousands of dollars)

	2014	2013
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 3,268	\$ 2,290
Items not involving cash (note 12)	2,270	4,318
Change in non-cash assets and liabilities (note 12)	(1,297)	2,021
Net change in cash from operating activities	4,241	8,629
Capital activities:		
Proceeds on sale of tangible capital assets	19	35
Acquisition of tangible capital assets	(3,831)	(2,339)
Net change in cash from capital activities	(3,812)	(2,304)
Financing activities:		
Capital leasing used to acquire tangible capital assets	-	(33)
Principal payments on capital lease obligations	(180)	(145)
Net change in cash from financing activities	(180)	(178)
Net change in cash and cash equivalents	249	6,147
Cash and cash equivalents, beginning of year	34,500	28,353
Cash and cash equivalents, end of year	\$ 34,749	\$ 34,500

The accompanying notes are an integral part of these financial statements.

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2014
(In thousands of dollars)

1. Nature of Operations

The British Columbia Assessment Authority (the "Authority") was established in 1974 as an independent Crown corporation by the Province of British Columbia by enactment of the *Assessment Authority Act*. The purpose of the Authority is to establish and maintain assessments that are uniform in the whole of the province in accordance with the *Assessment Authority Act*. The Authority is exempt from income taxes under the *Income Tax Act*.

2. Significant accounting policies:

The financial statements of the Authority are prepared by management in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board (PSAB) standards. Significant accounting policies adopted by the Authority are as follows:

(a) Basis of accounting:

The Authority follows the accrual method of accounting for revenues and expenses. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(b) Financial instruments

Financial instruments are accounted for in accordance with Public Sector Accounting Standard 3450. Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, all of which are reported at amortized cost.

(c) Revenues:

Revenues are recorded in the period in which the transactions or events occurred that gave rise to the revenues.

Tax levies: The Authority, each year by by-law and subject to the prior approval of the Lieutenant Governor in Council, imposes and levies a tax upon all taxable real property in the province, but excluding property that is taxable for school purposes only by special Act. A copy of this by-law is forwarded to the Tax Collector of every municipality in the province and to the Surveyor of Taxes in order that the taxes levied will be placed on the tax rolls. The proceeds of the taxes levied and collected by the municipalities or the Minister of Finance constitutes the Authority's tax levy revenue. This revenue is recognized equally across all periods in the year.

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2014
(In thousands of dollars)

2. Significant accounting policies (continued):

(c) Revenues (continued):

Other revenue: Other revenue includes revenue from data access services, payments in lieu of taxes, contracts with First Nations, and other miscellaneous revenue. Data access revenue and other miscellaneous revenue are recognized when earned, while payments in lieu of taxes and First Nations revenue are recognized equally across all periods throughout the year.

Investment: Investment revenue includes interest on deposits in banks, and earnings generated by short-term investments, and are reported as revenue in the period earned.

(d) Property leasehold improvement inducements:

Lease inducements include cash payments, tenant improvement allowances, reduced rent and rent free periods. The lease inducement benefits are amortized on a straight-line basis over the term of the lease.

(e) Cash equivalents:

Cash equivalents include liquid investments that can be redeemed on demand without penalty. Investments are recorded at amortized cost. Discounts and premiums arising on the purchase of these investments are amortized over the term of the investments. When there has been a loss in value that is not a temporary decline in value, the respective investment is written down to recognize the loss.

(f) Employee future benefits:

- (i) The Authority and its employees make contributions to the Public Service Pension Plan. This plan is a multi-employer defined benefit plan providing a pension at retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. Inflation adjustments are contingent upon available funding. The joint trustee board of the plan determines the required plan contributions annually. These contributions are expensed as incurred.
- (ii) Retirement and other future benefits are also available to the Authority's employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages, expected future salary and wage increases, long-term inflation rates and discount rates. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits. Actuarial gains and losses are amortized over the expected average remaining service life of the employees.

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2014
(In thousands of dollars)

2. Significant accounting policies (continued):

(g) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(h) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful life - years
Buildings	20
Property assessment software	10 to 15
Enterprise software	5
Furniture and equipment	5
Motor vehicles	5
Computer equipment	3
Productivity and other software	3 to 5
Leasehold improvements	Equal to the lease term
Leased equipment	Equal to the lease term

Amortization is performed on a straight-line basis, and is dependent on the value and timing of each purchase transaction, and when each asset was available for productive use. Software under development is not amortized until it is available for productive use. Tangible capital assets are written down when conditions indicate that they no longer contribute to the Authority's ability to provide services, or when the value of the future economic benefits associated with the tangible capital assets is less than their net book value. The net write-down is accounted for as an expense in the statement of operations.

(i) Leased tangible capital assets

Leases that transfer substantially all the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2014
(In thousands of dollars)

2. Significant accounting policies (continued):

(i) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities, the useful life of capital assets and in performing actuarial valuations of employee future benefits. Actual results could differ from these estimates.

3. Cash and cash equivalents:

	2014	2013
Cash	\$ 3,559	\$ 1,062
Cash Equivalents (notes 2(e))	31,190	33,438
Total	\$ 34,749	\$ 34,500

4. Employee benefits and other liabilities:

The employee benefit and other liabilities, reported on the statement of financial position, are made up of the following:

	2014	2013
Employee future benefits	\$ 3,554	\$ 3,464
Employee past benefits	2	6
Other Liabilities	4,797	5,984
Total	\$ 8,353	\$ 9,454

Other liabilities include outstanding payables for employer remittances, accrued salaries, vacation, and overtime.

BRITISH COLUMBIA ASSESSMENT AUTHORITY**Notes to Financial Statements**

Year ended December 31, 2014

(In thousands of dollars)

4. Employee benefits and other liabilities (continued):**Employees' past benefits:**

At the time the Authority was formed, it negotiated an agreement with those designated employees whose previous working agreements contained clauses that called for payment of certain benefits upon death, retirement or termination of employment. The benefits under the agreement are recognized as a liability. Adjustments to the liability resulting from changes in salary rates are charged to the current year. Payments of benefits are treated as a reduction of the liability.

Employees' future benefits:

Outside of the Public Service Pension Plan, the Authority annually accrues the future obligation under the defined retirement benefit plan as the employees render the services necessary to earn the benefit. These retirement benefit plans include a retirement allowance, unearned vacation entitlement, and death benefits. An independent actuarial valuation of the post-employment benefits obligation and net periodic benefit cost was calculated at December 31, 2014 using management's estimates of salary escalation and expected retirement ages. The recorded liability represents these estimated future costs discounted to a present value using market interest rates applicable to the Authority.

Information about the Authority's retirement benefit plans is as follows:

Accrued benefit obligation:	2014	2013
Balance, beginning of the year	\$ 3,464	\$ 3,390
Current benefit cost	272	285
Interest	119	101
Benefits paid	(306)	(331)
Amortization of Loss	5	19
Balance, end of year	\$ 3,554	\$ 3,464
Actuarial benefit obligation:		
Accrued benefit obligation	\$ 3,554	\$ 3,464
Unamortized actuarial loss	148	39
Balance, end of year	\$ 3,702	\$ 3,503

BRITISH COLUMBIA ASSESSMENT AUTHORITY**Notes to Financial Statements**

Year ended December 31, 2014

(In thousands of dollars)

4. Employee benefits and other liabilities (continued):

The significant actuarial assumptions adopted in measuring the Authority's accrued benefit obligations are as follows:

	2014	2013
Discount rate	3.68%	3.30%
Expected future inflation rate	1.50%	1.50%
Expected productivity and seniority increases	1.10% to 3.65%	1.10% to 3.65%

Over time, changes in assumptions and actual experience compared to expected results will cause actuarial gains and losses in future valuations. Actual benefit payments in 2014 differing from expected resulted in a loss of \$16,000. Additionally, an adjustment to the opening obligation resulting from a revision to the actual benefit payments made in 2013 resulted in a net gain of \$18,000. Overall, this created a net actuarial gain at December 31, 2014 of \$2,000.

The unamortized actuarial loss on future payments is amortized over the estimated average service lives of the employees which is 12 years.

Other pension plans:

The Authority and its employees contribute to the Public Service Pension Plan in accordance with the *Public Sector Pension Plans Act*. The British Columbia Pension Corporation administers the plan, including payment of pension benefits to employees to whom the act applies. The Public Service Pension Plan is a multi-employer, defined benefit plan. Under joint trusteeship, the risk and reward associated with the Plan's unfunded liability or surplus is shared between the employers and the plan members and will be reflected in their future contributions. The most recent actuarial valuation (March 31, 2014) determined the Plan had a surplus of \$392 million. The contribution rates have remained unchanged since April 1, 2012.

Contributions to the Plan by the Authority were \$4,165 in 2014 and \$3,945 in 2013.

BRITISH COLUMBIA ASSESSMENT AUTHORITY**Notes to Financial Statements**

Year ended December 31, 2014
(In thousands of dollars)

5. Capital lease obligations:

The Authority has entered into capital leases for certain office equipment. The minimum lease payment obligations are as follows:

For Year:	2014	2013
2014	\$ -	\$ 304
2015	304	304
2016	291	252
Subtotal	595	860
Less amount representing interest at 5% per annum	(123)	(208)
Present value of net minimum capital lease payments	\$ 472	\$ 652

Interest of \$123 in 2014 and \$120 in 2013 relating to capital lease obligations has been included in expenses on the Statement of Operations.

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2014
(In thousands of dollars)

6. Tangible capital assets:

(a) Changes to tangible capital asset categories during year:

Cost	December 31 2013	Additions	Disposals	December 31 2014
Land	\$ 354	\$ -	\$ -	\$ 354
Buildings	2,519	-	-	2,519
Furniture and equipment	5,550	660	-	6,210
Computer equipment	9,952	1,067	-	11,019
Motor vehicles	1,738	106	(83)	1,761
Leasehold improvements	6,447	670	-	7,117
Leased equipment	1,183	-	-	1,183
Property assessment software	14,696	-	-	14,696
Enterprise and productivity software	3,734	-	-	3,734
Software under development	354	1,328	-	1,682
Total	\$ 46,527	\$ 3,831	\$ (83)	\$ 50,275

Accumulated amortization	December 31 2013	Disposals	Amortization expense	December 31 2014
Land	\$ -	\$ -	\$ -	\$ -
Buildings	2,100	-	124	2,224
Furniture and equipment	4,350	-	589	4,939
Computer equipment	8,701	-	602	9,303
Motor vehicles	1,534	(83)	90	1,541
Leasehold improvements	1,837	-	569	2,406
Leased equipment	661	-	228	889
Property assessment software	11,857	-	690	12,547
Enterprise and productivity software	2,262	-	638	2,900
Software under development (note 6(b))	-	-	-	-
Total	\$ 33,302	\$ (83)	\$ 3,530	\$ 36,749

Net book value	December 31 2013	December 31 2014
Land	\$ 354	\$ 354
Buildings	419	295
Furniture and equipment	1,200	1,271
Computer equipment	1,251	1,716
Motor vehicles	204	220
Leasehold improvements	4,610	4,711
Leased equipment	522	294
Property assessment software	2,839	2,149
Enterprise and productivity software	1,472	834
Software under development	354	1,682
Total	\$ 13,225	\$ 13,526

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2014
(In thousands of dollars)

6. Tangible capital assets (continued):

(b) Software under development:

Software development projects can often span multiple fiscal periods. Software under development does not contain any projects which have been terminated or placed on hold indefinitely. Software under development is not amortized as it represents the costs incurred to date on projects, which are not substantially complete at the end of the fiscal year, which is in accordance with Public Sector Accounting Standard 3450.42(b).

7. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves as follows:

Accumulated Surplus:	2014	2013
Equity:		
Equity invested in tangible capital	\$ 13,053	\$ 12,573
Unappropriated	1,790	2,270
	14,843	14,843
Reserves:		
Future tangible capital asset acquisitions	16,268	13,000
Operating	3,000	3,000
	19,268	16,000
Accumulated surplus, end of year	\$ 34,111	\$ 30,843

Certain amounts are set aside in accumulated surplus for future financial obligations and the purchase of tangible capital assets. One hundred percent of the 2014 operating surplus of \$3,268 has been applied to the reserve for future tangible capital asset acquisitions in accordance with Board direction.

Future tangible capital assets reserve: the purpose of this reserve is to help stabilize the financing requirements of large fluctuations in capital spending from one year to the next. Certain high value tangible capital assets such as property assessment software have long term economic usefulness. This reserve assists in the financing of these expenditures to limit the impact to revenue requirements in those years.

Operating reserve: the purpose of this reserve is to finance an unintended deficit. Unintended deficits would be caused largely by unexpected changes in revenues or costs for items that are outside management's control.

BRITISH COLUMBIA ASSESSMENT AUTHORITY**Notes to Financial Statements**

Year ended December 31, 2014
(In thousands of dollars)

8. Commitments:

The Authority is committed to make payments under operating leases and contracts as follows:

Commitments:	2014	2013
2014	\$ -	\$ 12,712
2015	12,286	9,591
2016	9,584	9,487
2017	7,789	8,124
2018	5,834	5,775
2019	4,105	4,218
2020-2027	21,052	21,659
Total Commitments	\$ 60,650	\$ 71,566

9. Appeal costs:

Appeal costs include the operating costs of the Property Assessment Review Panel and the Property Assessment Appeal Board, both operated independently by the Province of British Columbia, and legal costs incurred by the Authority. By legislation, the Authority is required to reimburse the Province for the Review Panel and Appeal Board costs which amounted to \$2,267 in 2014 and \$2,428 in 2013.

10. Budget data:

The 2014 operating and capital budgets approved by the Board on December 6, 2013 have been provided for comparison purposes.

11. Related party transactions:

The Authority is related through common ownership to all Province of British Columbia ministries, agencies, Crown corporations, and all public sector organizations such as school districts, colleges, universities, and health authorities that are included in the provincial government reporting entity. In addition, transactions with senior management, directors, immediate family members of senior management and directors, and companies with which any of the above have a financial interest are also considered related parties. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

BRITISH COLUMBIA ASSESSMENT AUTHORITY**Notes to Financial Statements**

Year ended December 31, 2014
(In thousands of dollars)

11. Related party transactions (continued):

The Statement of Operations includes the following transactions with related parties of the Province of British Columbia:

	2014	2013
Revenue:		
Other revenue	\$ 2,863	\$ 3,532
Expenses:		
Appeal costs	2,267	2,428
Information and communication technology	1,172	894
Employee expenses	1,106	1,370
Office premises	480	482
Corporate and office	261	115
Assessment notice printing and postage	100	108
Travel	52	51
Assets (liabilities) at December 31 with related parties		
Assets - Motor Vehicles	108	-
Accounts receivable	331	314
Accounts payable	(594)	(1,278)

The Authority contracts the disposal of surplus property, plant and equipment to the Province of British Columbia. Sale proceeds net of disposal costs were \$26 in 2014 and \$35 in 2013.

12. Summary of Cash flow management:

Items not involving cash, reported on the statement of cash flows, are made up of the following:

Items not involving cash:	2014	2013
Amortization	\$ 3,530	\$ 3,962
Change in lease inducements	(140)	476
Gain on sale of tangible capital assets	(19)	(35)
Change in employee benefits and other liabilities	(1,101)	(85)
Total items not involving cash	\$ 2,270	\$ 4,318

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2014
(In thousands of dollars)

12. Summary of cash flow management (continued):

Change in non-cash assets and liabilities, reported on the statement of cash flows, are made up of the following:

Change in non-cash assets and liabilities:	2014	2013
Accounts receivable	\$ 240	\$ (13)
Acocunts payable and accrued liabilities	(1,710)	2,291
Prepaid expenses	173	(257)
Total change in non-cash assets and liabilities	\$ (1,297)	\$ 2,021

13. Financial risk management:

In the normal course of operations, The Authority is exposed to a number of risks that can affect its operating performance. The Authority has exposure to the following risks from its use of financial instruments: credit risk, market risk, currency risk, interest rate risk, and liquidity risk. Management and the Board of the Authority ensure that the Authority identifies and monitors its risks. It is management's opinion that the authority is not exposed to significant risks arising from these financial instruments.

Credit risk: Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meets its contractual obligations. Such risks arise primarily from certain assets held consisting of cash, cash equivalents and accounts receivable. The Authority is exposed to credit risk in the event of non-performance by a customer. This risk is mitigated because 80% of accounts receivable are current; therefore, management does not consider it to be impaired. It is management's opinion that the Authority is not exposed to significant credit risk associated with cash and cash equivalents as they are placed with the British Columbia Investment Management Corporation in highly liquid units of a Canadian Money Market Fund.

Market risk: Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Currency risk: Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the Authority is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2014
(In thousands of dollars)

13. Financial risk management (continued):

Interest rate risk: Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Authority is exposed to interest rate risk through its cash equivalents. It is management's opinion that the Authority is not exposed to significant interest rate risk as they invest solely in short term treasury bills that have a maturity date of no more than 91 days from date of acquisition.

Liquidity risk: Liquidity risk is the risk that the Authority will not be able to meet its financial obligations as they become due. The Authority manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they become due.

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Schedule of Debts

As at December 31, 2014

There were no debts at December 31, 2014 other than those shown in the Financial Statements.

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Schedule of Guarantee and Indemnity Agreements

As at December 31, 2014

This organization has not given any guarantee or indemnities under the Guarantees and Indemnities Regulation.

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Schedule of Remuneration and Expenses

For the year ended December 31, 2014

Remuneration

Remuneration reported for employees reflects calendar year 2014 T4 salaries paid.

Remuneration reported for members of the Board of Directors reflects fiscal year 2014 fees as reported in the Financial Statements of BC Assessment.

Expenses

Expenses for employees and for members of the Board of Directors reflect fiscal year 2014 expenses as reported in the Financial Statements of BC Assessment for all travel, moving, education and professional association expenses paid to or on behalf of BC Assessment staff. Reported expenses may include payments which have also been included on the Schedule of Supplier Payments where such payments were made on behalf of employees and Board members to suppliers of services such as travel and educational agencies.

Benefits

Employee benefits reported reflect 2014 fiscal year expenses as reported in the Financial Statements of BC Assessment.

BRITISH COLUMBIA ASSESSMENT AUTHORITY**Schedule of Remuneration and Expenses**

For the year ended December 31, 2014

NAME	POSITION	REMUNERATION	EXPENSES
Sheila Eddin	Member, Board of Directors	\$ 6,150	\$ 1,970
Philip Foucher	Member, Board of Directors	7,350	7,366
Shelley Gilbert	Member, Board of Directors	6,000	189
Ernest Jack	Member, Board of Directors	4,524	7,122
David MacKeigan	Member, Board of Directors	6,023	526
Ronald Miles	Member, Board of Directors	4,500	1,785
Deborah Nelson	Member, Board of Directors	5,400	788
Judy Rogers	Member, Board of Directors	11,700	9,672
Charlotte Salomon	Member, Board of Directors	5,250	2,399
Johannes Smienk	Member, Board of Directors	8,404	19,699
Richard Taylor	Member, Board of Directors	10,400	4,312
Ben Vanderhorst	Member, Board of Directors	10,372	14,367
Total paid to on or behalf of board members		\$ 86,073	\$ 70,195

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Schedule of Remuneration and Expenses

For the year ended December 31, 2014

NAME	REMUNERATION	EXPENSES
Alexander, Peter	\$ 119,765	\$ 10,553
Allwork, Clive	103,337	-
Angus, Sylvia	83,875	3,342
Antonik, David	93,836	3,053
Arnett, Michael	88,069	6,943
Audette, Cameron	97,812	2,022
Autajay, Alan	80,621	197
Bakker, Peter	92,142	6,106
Barnsley, William	108,069	14,264
Barton, Sally	132,006	19,408
Basra, Harpreet	86,508	1,942
Bates, Duane	137,027	26,390
Behrms, Marshall	77,914	12,838
Bellamy, April-Dawn	84,065	3,547
Bennett, Bruce	86,699	1,541
Beqo, Dritan	76,646	5,755
Berry, Fran	87,353	2,586
Beuthin, Darryn	80,851	5,126
Bhullar, Harpreet	81,493	4,139
Boag, Kent	86,544	2,314
Bonner, Sarah	83,661	2,903
Borgo, Paul	122,530	8,262
Bosmann, Jan	90,850	13,347
Bourassa, Barton	87,679	3,672
Boyd, Kim	87,554	1,960
Boyle, Laura	100,797	5,077
Brakefield, Alan	97,052	3,065
Bretherton, Peter	136,946	2,198
Brock, Douglas	84,243	1,226
Brosch, Gerhard	139,743	17,701
Brown, Harold	87,346	9,556
Bruce, Scott	80,105	3,274
Carleton, Nancy	114,864	8,387
Cartwright, Vanessa	89,335	9,234
Castle, John	93,861	10,787
Chan, R. Brent	112,874	14,903
Coburn, Derek	86,730	4,046
Cox, Dan	86,696	7,631
Cunningham, Nicholas	84,815	730
Currie, Don	87,291	7,785
Danakody, Reuben	137,710	27,440
Danchuk, Christopher	116,030	16,790
Dawson, William	121,630	19,096

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Schedule of Remuneration and Expenses

For the year ended December 31, 2014

NAME	REMUNERATION	EXPENSES
	\$	\$
Dedeluk, Lisa	102,558	9,291
Deng, Yu (David)	82,772	3,456
Derkson, Lacy	92,308	3,754
Diederichs, Karen	87,523	1,315
Dooley, Jason	87,679	2,102
D'Souza, Simone	86,541	1,306
Duch, Karen	86,344	6,662
Dumbelton, Peter	95,208	5,255
Duncan, Andrew	77,137	-
Dunn, Lyle	91,357	5,450
Elves, Andrea	82,973	247
Ene, Maarten	87,293	2,541
Evans-Atkinson, Bruce	88,250	3,976
Fair, Constance	192,135	61,383
Fan, Lanfei	88,470	-
Fitzpatrick, Bruce	91,561	11,151
Francis, Deborah	111,471	6,863
Gatien, Joe	87,304	5,585
Gilbert, Karen	85,681	5,492
Girdler, Sara	86,441	3,077
Grant, Jason	142,234	17,908
Green, John	119,877	12,179
Greig, Robbin	85,778	1,997
Hans, Robbie	91,705	4,090
Held, Graham	114,289	13,448
Hickson, Dennis	116,026	10,124
Highfield, David	172,138	39,151
Hill, Mark	80,999	-
Hodge, Janice	86,435	2,842
Hoggarth, George	166,085	10,849
Holloway, Derek	88,281	3,009
Ireland, Tina	125,851	17,946
Jablonski, Shari	83,243	6,322
Jerke, Darren	87,393	2,281
Johnson, Darin	112,421	8,713
Kang, Kashmir	141,823	9,151
Katz, Mark	96,821	2,437
Keough, David	79,615	20,061
Kingston, David	86,526	1,669
Knight, Bonnie	106,567	7,992
Krantz, Jarret	94,231	27,804
Kunz, Sabrina	105,235	14,722
Kwan, Richard	87,558	2,801

BRITISH COLUMBIA ASSESSMENT AUTHORITY**Schedule of Remuneration and Expenses**

For the year ended December 31, 2014

NAME	REMUNERATION	EXPENSES
Lai, Sarah	\$ 93,191	\$ 3,089
Laidlaw, Susan	93,935	11,316
Lane, Bradley	126,167	38,385
Lazenby, Charles	81,110	-
LeNoury, Katrina	113,539	19,080
Lester, Alanna	77,837	15,951
Lirn, Michelle	87,480	-
Lindstrom, Darcie	77,614	4,122
Love, Tracey	87,279	5,098
MacDonald, Catherine	83,534	-
MacGougan, William	145,871	24,234
MacLean, Ann	80,340	8,809
Madden, John	165,700	10,648
Mahanger, Mandeep	86,858	4,144
Mahon, Albert	78,676	29,673
Marolla, Gerry	117,214	5,210
Matthews, Averil	87,320	2,680
Mauritz, Hartmut	161,396	47,845
McClellan, Tracey	83,044	3,112
McComber, Melanie	86,441	6,441
McDonald, Grant	117,423	3,814
McGinnis, M. Sean	86,442	4,408
McInnes, Shandra	88,721	4,948
McPhail, Kevin	89,798	7,050
Mercer, Harry	86,144	1,404
Mohammed, David	92,245	3,800
Morrison, Timothy	80,169	6,162
Mrazek, Paul	87,579	7,985
Murao, Bryan	77,014	1,325
Murray, Jack	98,053	5,047
Neufeldt, J. Glen	88,084	5,408
Neuwirth, Marnie	75,465	1,120
Nickle, Raymond	87,671	6,029
O'Grady, Jonathan	86,550	3,886
Papoutsakis, Niko	87,942	2,247
Parsons, Jacqueline	88,184	6,106
Paton, Gregg	130,638	5,913
Pearson, Mats	80,742	1,990
Pollock, Bruce	118,451	6,347
Polomark, Michael	81,699	1,221
Primeau, Maurice	75,885	4,416
Pringle, Thomas	89,914	5,623
Radtke, Geoffrey	100,276	31,222

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Schedule of Remuneration and Expenses

For the year ended December 31, 2014

NAME	REMUNERATION	EXPENSES
Randhawa Paul, Char	\$ 120,165	\$ 28,825
Randle, Christina	83,686	1,128
Ravenstein, Rodney	106,455	19,607
Redlich, Kim	87,293	3,197
Robertson, David	87,001	3,558
Rush, Elizabeth	98,003	10,564
Sandhu, Rajan	101,402	4,060
Santella, Fernando	90,857	5,468
Schwagele, Laura	128,697	22,137
Sear, Brent	86,441	2,393
Shah, Ramaish	78,427	2,557
Shaw, Cameron	75,252	4,969
Shum, Edward	118,575	3,650
Shymko, Tracy	78,982	16,884
Sidhu, Rick	87,331	2,630
Sisodraker, Dharmesh	112,533	4,196
Sitter, Scott	132,163	31,991
Smith, Brian	84,770	7,597
Smith, Darlene	103,334	-
Snow, John	87,618	3,434
Sowinski, Jason	117,708	13,907
Spatharakis, Michael	106,399	45,994
Stenson, Devin	84,055	-
Stewart, Martine	95,818	6,654
Sturrock, Chris	86,593	2,497
Tapp, Sybilla	95,293	5,516
Tarr, Christina	80,155	9,755
Thomas, Janice	109,666	26,437
Thompson, Vivian	84,060	5,710
Walker, R. Jay	87,624	13,527
Wall, Tracy	110,225	14,052
Wallis, Lori	91,553	12,620
Walton, R. Carl	77,317	3,650
Wandawasi Dorakanti, Rao	108,053	11,723
Warkentin, Boris	91,895	4,272
Weston, Terezina	107,494	6,440
Wheeler, David	96,697	8,404
Whiteley, Ann	93,272	2,144
Whyte, Christopher	113,097	57,979
Williamson, Douglas	88,171	2,687
Wong, Margaret	75,557	1,568
Wood, W. Greg	111,496	6,797
Wright, Cynthia	79,374	21,850

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Schedule of Remuneration and Expenses

For the year ended December 31, 2014

NAME	REMUNERATION	EXPENSES
Yannacopoulos, John	\$ 147,927	\$ 41,618
Yip, Vicky	86,536	1,584
Zaborniak, Todd	86,511	8,699
Zajac, Rebeka	82,234	2,806
Zak, Nolan	91,246	3,091
Zdunich, Richard	80,754	2,787
Zhao, Meng	83,581	2,547
Ziola, David	88,376	3,212
Total, employees earning less than \$75,000	30,121,536	1,314,728
	47,696,004	2,918,946
Benefits paid by employer		
Receiver General for Canada – CPP, EI		2,437,281
Dental and extended health premiums		1,303,403
Medical premiums		813,485
Life and disability premiums		1,221,220
Pension		4,164,648
Total paid to on or behalf of employees	\$ 47,696,004	\$ 12,858,983

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Statement of Severance Agreements

As at December 31, 2014

There were two severance agreements under which payment commenced between BC Assessment and employees during the 2014 fiscal year. One was to a unionized employee which represented four days of compensation, and was to a non-unionized employee which represented four weeks of compensation.

BRITISH COLUMBIA ASSESSMENT AUTHORITY
Schedule of Payments to Suppliers of Goods and Services

For the year ended December 31, 2014

Supplier payments reported reflect payments made during fiscal 2014 with no adjustments for the Goods and Services Tax rebate or for accruals.

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Schedule of Payments to Suppliers of Goods and Services

For the year ended December 31, 2014

NAME		PAYMENT
1505778 Ontario Inc.	\$	58,800
2725312 Canada Inc.		1,215,276
624452 BC Ltd.		39,538
Abbotsford Cleaning Service		25,879
Acrodex Inc.		54,202
Advanced Parking Systems Ltd.		76,236
Affiliated Computer Services		269,476
Agile Concept Consulting Inc.		45,693
Al Stober Construction Ltd.		323,523
Andres Project Management		46,464
Attain Insight Solutions Inc.		310,203
Automic Canada		26,678
BC Hydro		45,327
BDO Canada LLP		56,139
BFC Projects Partnership		426,612
BizTechMasters Inc		51,442
Boardwalk Communications		247,325
Borden Ladner Gervais LLP Lawyers		128,635
Boughton Law		27,350
Boyden Vancouver		52,669
Brian Crawford		47,864
Canada Post Corporation		1,388,375
CIBC		41,387
Cisco Webex, LLC		87,756
Citrix Systems Inc.		43,475
City of Courtenay		38,973
City of Dawson Creek		33,969
City of Kamloops		37,287
Colbrook Properties Ltd.		127,273
Crease Harman & Company		604,502
Dasilva Developments Ltd.		52,770
Deloitte LLP		78,750
Docu-Link International Inc		457,151
Element Fleet Management		112,435
Elevate Consulting		44,496
Ernst & Young LLP		359,801
ESRI Canada Ltd.		118,697

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Schedule of Payments to Suppliers of Goods and Services

For the year ended December 31, 2014

NAME		PAYMENT
Evergreen Building Maintenance	\$	25,871
Facet Technology Corp.		319,249
FCV Technologies		381,321
Frontage Holdings		83,472
Gartner Canada Co.		59,850
Gemini Joint Venture		74,567
Global Knowledge Network Canada Inc.		53,368
Google Inc.		47,240
Grant Thornton LLP		37,101
Graphic Office Interiors Ltd.		69,716
Harbour Air Ltd.		33,600
Hotel Grand Pacific		37,676
Hub International Insurance Brokers		77,347
I.G. Systems Corporation		28,605
ICIS		25,000
Insights West Marketing Research		57,183
Insurance Corporation of B.C.		52,098
Intex Consulting Group Inc		34,451
Island Key Computer Limited		1,256,489
Jawl Properties Ltd		424,914
Knowledge Solutions Consulting Inc		94,259
KPMG, LLP		68,556
KSA Consulting Ltd.		63,840
Majestic Management (1981) Ltd		351,394
Mccarthy Tetrault LLP		129,310
Mercer (Canada) Limited		50,328
MFR Resolutions		28,574
Micro Com Systems (1992) Ltd.		106,155
Microserve V8205		36,304
Microsoft Licensing, GP		306,108
Microsoft Canada Inc.		58,800
Modus Inc		77,301
Monk Office Supply Ltd.		742,828
Myra Systems Corp.		2,143,927
NMSP itf KAB Properties Inc.		354,570
Office Max		143,020
Optum Health Services (Canada) Ltd.		29,098

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Schedule of Payments to Suppliers of Goods and Services

For the year ended December 31, 2014

NAME		PAYMENT
Oracle Corporation Canada Inc.	\$	60,532
Owen & Hunter Architects		25,442
Pictometry Canada Corp.		605,107
Project Strategies Inc.		57,960
Province of BC		5,169,638
Quartech Systems Ltd.		118,579
Randstad Technologies		153,987
Ravine Equities Inc.		2,051,791
Re/Max Check Realty (In Trust)		115,196
RealNet Canada Inc.		40,572
Salish Consulting		99,687
SDM Realty Advisors Ltd. in trust for 1500 Hardy		54,925
Sentis Canada Inc.		134,574
SHI Canada ULC		32,549
Sierra Systems Group Inc.		357,972
St. John Ambulance		30,198
Taylor Made Solutions		28,144
Tekara Organizational Effectiveness Inc.		45,898
Telus Communications Company		1,896,286
TPS Consulting Ltd.		31,444
Trek Aerial Surveys		116,093
Trial Island Consulting Inc.		63,278
Tyler Technologies Inc.		117,867
Udutu Learning Systems Inc.		98,429
Veronika Ho		118,550
Vision Government Solutions Inc.		515,000
Vizeum Canada Inc.		118,757
Wallace Street Projects Inc.		25,074
Warrington PCI ITF Clearbrook Plaza		357,423
Xerox Business Services LLC		189,209
Xerox Canada Ltd.		425,266
Miscellaneous Suppliers Less than \$25,000		1,614,358
Total payments to suppliers	\$	30,035,703

BRITISH COLUMBIA ASSESSMENT AUTHORITY

Reconciliation to the Financial Statements

For the year ended December 31, 2014

Employees:		
Employee remuneration	\$	47,696,004
Employee expense		2,918,946
Board members:		
Board members' remuneration		86,073
Board members' expense		70,303
Other:		
Payments for the provision of goods or services		30,035,704
Amortization		3,529,908
Accrual, tax and other reconciling items		1,973,838
Total expenditures for the year ended December 31, 2014	\$	86,310,776

BC Assessment
Executive Offices
400 – 3450 Uptown Blvd.
Victoria BC V8Z 0B9

BC Assessment

Phone: 250 595 6211
Fax: 250 595 6222
Website: www.bcassessment.ca

April 10, 2015

Public Sector Employers' Council Secretariat
Suite 210, 880 Douglas Street
Victoria BC V8W 2B7

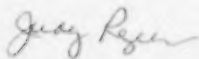
Attention: Christina Zacharuk
Interim President and CEO

Dear Sir:

On behalf of the Board of Directors of BC Assessment, attached is BC Assessment's Statement of Executive Compensation for the Fiscal Year Ending December 31, 2014.

I confirm that the Board is aware of the compensation paid to the members of the executive as outlined in the attached Statement, and that the compensation provided is within BC Assessment's approved compensation plan for members of the executive.

Sincerely,



Judy Rogers
Chair
Board of Directors
British Columbia Assessment

Enclosure

BC Assessment

Statement of Executive Compensation

For the Fiscal Year Ending December 31, 2014

Introduction

BC Assessment is a provincial Crown corporation with a mandate to create uniform assessments which can be relied upon to build sustainable flourishing communities. The Board of Directors provides strategic direction, policy leadership and performance monitoring. All operational matters are the responsibility of the Chief Executive Officer.

BC Assessment establishes and maintains uniform real property assessments throughout the province, using current market data as a guide. After determining the correct classification, actual value and tax exemption status of approximately 1.95 million properties across the province, BC Assessment provides taxing authorities with an assessment roll, which lists all properties, names of the owners and the taxable values of the land and any improvements (buildings). The corporation sends an assessment notice to each person named in the assessment roll. For some properties, the assessment roll contains values that are determined in accordance with regulations and Board-approved prescribed rates and manuals. Examples include farm land and major industrial property manuals.

The real estate market creates the value that BC Assessment reports to taxing authorities and property owners. Taxing authorities determine the amount of revenue required to pay for public services, set their property tax rate and apply the rate to the assessed value of properties.

BC Assessment employs approximately 660 employees in 16 offices throughout British Columbia. The organization currently consists of 10 regions, with 15 area assessment offices located throughout the province and a head office in Victoria.

Compensation Discussion and Analysis

Compensation Objectives

Under Section 13 of the *Assessment Authority Act*, the Board of Directors is responsible for the appointment of the Chief Executive Officer and all other employees and for setting their remuneration. Compensation oversight rests with the Public Sector Employers' Council (PSEC) on behalf of the Minister of Finance and all compensation plans must be approved by the PSEC Secretariat.

BC Assessment has two compensation plans for excluded management employees. The first applies to the Chief Executive Officer and the second applies to all other excluded managers including Vice Presidents.

BC Assessment aims to maintain a management compensation program that will help attract the talent necessary to further the strategic objectives of the organization. We will also provide a compensation program that will be sufficiently attractive to provide talented employees with good reason for remaining with BC Assessment and for continuing in their efforts to enhance service to all

of our customers. Our benefits strategy is to provide competitive, cost effective health and welfare benefits that will help to attract and retain qualified employees.

Salary

The goal of the management total compensation program is to target our programs at the median of our defined external salary marketplace. Market conditions are reviewed on a regular basis. The external marketplace includes an appropriate mix of public and private sector organizations and is also sensitive to the property assessment sector in which BC Assessment competes for employees.

Salary levels for the CEO, for executive members and all other excluded employees are determined by the Board with oversight by the PSEC Secretariat.

Health and Welfare Benefits

BC Assessment provides medical, dental, extended health, short-term and long-term disability, and group life insurance benefits. Generally, these benefits are determined through negotiation with the largest employee group (the bargaining unit) and are in effect for all excluded employees, including the CEO and executive members.

Pension

BC Assessment is required by statute to be a member of the Public Service Pension Plan and to enrol all eligible employees and make contributions on their behalf. This includes the CEO and all executive members.

Vacations and Other Leaves

Excluded employees receive an annual vacation entitlement based upon years of service, commencing at 20 days in the first year of employment up to the maximum of 35 days after 25 years of employment. In addition to this base entitlement for excluded employees, the CEO is entitled to a further five vacation days per year. All employees are entitled to 12 paid (statutory) holidays per year.

Additional paid leave is available to all employees for a variety of purposes such as bereavement, maternity/parental or to care for a sick child.

Retirement Allowance

Excluded employees who retire from BC Assessment under the terms of the *Pension Act* receive a retirement allowance of approximately 1.50 days at their rate of pay on retirement for each year of public service to a maximum of 57 days.

Car Lease

The CEO and Vice Presidents are provided a vehicle allowance or lease arrangement using the Provincial Government's guidelines for executive staff to carry out company business. The maximum monthly lease payment exclusive of tax is not to exceed \$625 per month. The executive member may elect to receive a vehicle allowance in lieu of taking a leased vehicle which is equivalent to the average lease and vehicle operating costs of \$580 per month.

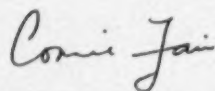
Gainsharing

This program measures eight different corporate performance targets and provides a monetary incentive of up to 5% of base salary. The purpose of the program is to encourage superior corporate performance for assessment roll quality and stability, employee performance, customer satisfaction and productivity.

#	Measure	Target (to achieve 100% payment)
1	Single Family Residential Median Assessment to Sales Ratio	97.0 to 100.0
2	Coefficient of Dispersion for residential properties in homogeneous jurisdictions	Less than 10%
3	Price Related Differential for residential properties	0.98 to 1.03
4	% of total general purpose taxes which are refunded by the taxing jurisdictions resulting from the supplementary process by Dec 31 for the assessment roll created two years previously	Less than 0.10%
5	% of permanent employees with Performance and Development Plan completed by May 1 of the measurement year	100%
6	% of residential and non-residential property owners independently surveyed who had direct contact with the corporation, and provided a positive rating on 10 service indicators related to the customer service they received from the corporation.	88% to 100%
7	Every second year, the % of local governments and First Nations, independently surveyed, who had direct contact with the corporation and provided a positive rating on 10 service indicators related to the customer service they received from the corporation.	98% to 100%
8	Non-market change as reported on the Completed Roll per Full-Time Equivalent employee (FTE) where 1827 hours of work equals one FTE	\$30.1 million per FTE

The gainsharing payment made in March 2014 for the 2013 fiscal year was 3.24% of basic salary.

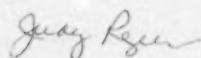
The gainsharing program ended for management employees in 2014 to align to direction with the Crown Compensation Policy introduced in 2012. As a result, the gainsharing program was converted to base salary and amount was calculated by averaging the last 4 years of actual gainsharing payments, less the value of wage-impacted benefits such as increased employer pension contributions and statutory benefit costs. The amount of the base salary increase was 2.69% and implemented effective January 1, 2014.



Connie Fair
President and Chief Executive Officer

April 10, 2015

Date



Judy Rogers
Chair, Board of Directors
British Columbia Assessment

April 10, 2015

Date

SUMMARY COMPENSATION TABLE
For the Fiscal Year Ending December 31, 2014

Name and Position (a)	Salary (d)	Bonus and / or Incentive Plan Compensation (e)	Benefits (f)	Pension (g)	All Other Compensation (expanded below)	2014 Total	Previous Two Years Totals	
							2013	2012
Connie Fair, President & CEO	\$ 189,464	\$ -	\$ 13,230	\$ 19,921	\$ 9,417	\$ 232,032	\$ 232,132	\$ 241,605
Andy Hoggarth, VP & Executive Financial Officer	\$ 147,129	\$ -	\$ 11,812	\$ 15,294	\$ 18,867	\$ 193,101	\$ 188,779	\$ 185,652
John Madden, VP, People & Planning	\$ 145,396	\$ -	\$ 11,098	\$ 15,104	\$ 19,949	\$ 191,547	\$ 184,770	\$ 183,255
Hart Mauritz, VP, Business Innovation	\$ 149,611	\$ -	\$ 10,394	\$ 15,565	\$ 11,685	\$ 187,255	\$ 179,762	\$ 38,985 ¹
David Highfield, VP, Field Operations	\$ 148,077 ²	\$ -	\$ 8,199	\$ - ³	\$ 22,954	\$ 179,230	\$ 175,074	\$ 168,340

Name and Position (a)	All Other Compensation	Severance (h)	Vacation payout (i)	Paid Leave (j)	Vehicle / Transportation Allowance (k)	Perquisites / other Allowances (l)	Other ⁴ (m)
Connie Fair, President & CEO	\$ 9,417	\$ -	\$ -	\$ -	\$ 8,400	\$ 1,017	\$ -
Andy Hoggarth, VP & Executive Financial Officer	\$ 18,867	\$ -	\$ 7,269	\$ -	\$ 6,960	\$ -	\$ 4,638
John Madden, VP, People & Planning	\$ 19,949	\$ -	\$ 8,397	\$ -	\$ 6,960	\$ -	\$ 4,592
Hart Mauritz, VP, Business Innovation	\$ 11,685	\$ -	\$ -	\$ -	\$ 6,960	\$ -	\$ 4,725
David Highfield, VP, Field Operations	\$ 22,954	\$ -	\$ 11,308	\$ -	\$ 6,960	\$ -	\$ 4,686

¹ Partial year start date October 1, 2012.

² David Highfield was not one of the 5 highest paid Executives in 2012 or 2013 although he was an Executive member.

³ No contribution to the pension plan (reached 35 year maximum).

⁴ Gainsharing of 3.24% of salary paid on March 2014 for fiscal year 2013.